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SUPERIOR COURT OF THE STATE OF CALIFORNIA  
IN AND FOR THE COUNTY OF SACRAMENTO

FAIR POLITICAL PRACTICES COMMISSION,	)	Case No.
a state agency,	)	
	)	
Plaintiff,	)	STIPULATION FOR ENTRY OF
	)	JUDGMENT
v.	)	
	)	(IN FAVOR OF PLAINTIFF AGAINST
MICHAEL MACHADO, MACHADO FOR	)	DEFENDANTS)
SENATE formerly known as MACHADO FOR	)	
SENATE 2000, MACHADO FOR SENATE 2004,	)	UNLIMITED CIVIL ACTION
STEPHEN K. SINNOCK,	)	
	)	
Defendants.	)	

Plaintiff Fair Political Practices Commission, a state agency, by its attorneys, and Defendants Michael Machado, Machado for Senate formerly known as Machado for Senate 2000, Machado for Senate 2004, and Stephen K. Sinnock, by their attorneys, enter into this stipulation to resolve all factual and legal issues pertaining to the complaint for civil penalties filed herewith.

It is stipulated by and between the parties as follows:

The complaint on file in this action was properly filed and served on Defendants Michael Machado, Machado for Senate formerly known as Machado for Senate 2000, Machado for Senate 2004, and Stephen K. Sinnock.

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1 Jurisdiction of the subject matter and of the parties to this action and venue are properly in the  
2 Sacramento Superior Court. The complaint states six causes of action against one or more Defendants,  
3 and any defects in the complaint are expressly waived.

4 This stipulation shall: resolve all factual and legal issues pertaining to or arising out of the  
5 causes of action stated against Defendants in the complaint for civil penalties filed herewith; resolve  
6 any and all claims under the Political Reform Act against Defendants pertaining to or arising out of the  
7 course of conduct described in the complaint, including claims for receiving and accepting the  
8 described contributions, making the described payments, or misreporting the described transactions,  
9 contrary to sections 84211, 85201, 85301, 85302, 85316, and 89510 of the Government Code, during  
10 the period covered in the complaint; and reach a final disposition with respect to Defendants, without  
11 the necessity of holding a civil trial to determine their liability.

12 Defendants Michael Machado, Machado for Senate formerly known as Machado for Senate  
13 2000, Machado for Senate 2004, and Stephen K. Sinnock understand, and hereby knowingly and  
14 voluntarily waive, any and all procedural rights that they could have exercised if this stipulation had not  
15 been entered into, including, but not limited to, their right to civil discovery, to appear personally at any  
16 civil trial held in this matter, to confront and cross-examine witnesses, and to have the trial presided  
17 over by an impartial judge, and heard and decided by a jury.

#### 18 **ENTRY OF JUDGMENT**

19 For the violations of the Political Reform Act admitted herein, Plaintiff Fair Political Practices  
20 Commission and Defendants Michael Machado, Machado for Senate formerly known as Machado for  
21 Senate 2000, Machado for Senate 2004, and Stephen K. Sinnock stipulate that a final judgment be  
22 issued and entered in the form of the order attached hereto and made a part hereof as Exhibit "A," in  
23 favor of Plaintiff Fair Political Practices Commission, and against Defendants Michael Machado,  
24 Machado for Senate formerly known as Machado for Senate 2000, Machado for Senate 2004, and  
25 Stephen K. Sinnock, as follows: in the amount of twenty-five thousand dollars (\$25,000) against  
26 Defendant Michael Machado, for the first, fifth, and sixth causes of action, as set forth in the complaint;  
27 in the amount of thirty-six thousand dollars (\$36,000) against Defendants Michael Machado, Machado  
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1 for Senate formerly known as Machado for Senate 2000, Machado for Senate 2004, and Stephen K.  
2 Sinnock, for the second, third, and fourth causes of action, as set forth in the complaint; for a total civil  
3 penalty of sixty-one thousand dollars (\$61,000). Payment of this amount shall be made by cashier's  
4 check, payable to the "General Fund of the State of California," upon the execution of this stipulation.

5 The parties shall each bear their own attorney's fees and costs.

6 It is further stipulated by and between the parties as follows:

7 a) Defendant Machado has voluntarily disgorged funds from Defendant Machado for Senate  
8 2004, in the total amount of fifty-six thousand two hundred dollars (\$56,200), by returning  
9 contributions to those contributors whose contributions, as set forth in this complaint, resulted in a  
10 violation of the applicable statutory contribution limits.

11 b) Defendants will comply with an injunctive order requiring each of them, and their agents,  
12 servants, and employees, and all persons acting in concert with them, or for them, to file original and  
13 amended campaign statements by September 21, 2004, for Defendants Machado for Senate and  
14 Machado for Senate 2004, to: accurately disclose contributions that were misreported as being made to  
15 Defendant Machado for Senate instead of to Defendant Machado for Senate 2004; and accurately  
16 disclose expenditures that were misreported as being made by Defendant Machado for Senate instead  
17 of by Defendant Machado for Senate 2004.

18 c) Defendant Michael Machado will comply with an injunctive order requiring him, and his  
19 agents, servants, and employees, and all persons acting in concert with him, or for him, to include, in  
20 making a determination as to whether any contributors have reached the applicable limit for  
21 contributions for the 2004 primary and general elections for state senate, contributions for the state  
22 senate re-election campaign that were deposited into the campaign bank account for Defendant  
23 Machado for Senate.

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25 The final judgment may be signed by any judge of the Superior Court of the State of California,  
26 in and for the County of Sacramento, and entered by any clerk upon application of any party without  
27 notice.

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1 **STIPULATED STATEMENT OF LAW AND FACTS**

2 1. **THE PARTIES AND BACKGROUND INFORMATION**

3 **Fair Political Practices Commission**

4 Plaintiff Fair Political Practices Commission (the “FPPC” or the “Commission”) is a state  
5 agency created by the Political Reform Act of 1974 (the “Act”). (Gov. Code §§ 81000 - 91014.)  
6 Plaintiff FPPC has primary responsibility for the impartial, effective administration and implementation  
7 of the Act. (Gov. Code § 83111.) Pursuant to Government Code section 91001, subdivision (b),  
8 Plaintiff FPPC is the civil prosecutor for matters involving state candidates, state committees, and state  
9 election campaigns, and is authorized to maintain this action under Government Code sections 91001,  
10 subdivision (b), 91004, 91005, and 91005.5. As Plaintiff FPPC is acting as the civil prosecutor  
11 concerning this matter, the stipulated judgment set forth herein precludes any other agency,  
12 organization, entity, or person from obtaining any further judgment with respect to the violations which  
13 were or could have been alleged arising from the conduct described in this action, as provided by  
14 Government Code section 91008.

15 **Michael Machado**

16 Defendant Michael Machado (hereinafter “Machado”) is, and was at all times relevant to this  
17 matter, a member of the Senate of the State of California representing the Fifth Senate District, having  
18 been elected to that office in the statewide general election of November 7, 2000.

19 **Machado for Senate**

20 Defendant Machado for Senate was formed on or about December 16, 1998, under the name  
21 Machado for Senate 2000, as a candidate “controlled committee” within the meaning of Government  
22 Code section 82016, to support Defendant Machado’s election to the state senate in the 2000 primary  
23 and general elections. After the 2000 general election, the statement of organization for Machado for  
24 Senate 2000 was amended to change the name of this committee to “Machado for Senate.” At all times  
25 relevant to this matter, the identification number for Machado for Senate (hereinafter the “2000  
26 Committee”), assigned by the Secretary of State, was 983468.

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1 Machado for Senate 2004

2 Defendant Machado for Senate 2004 was formed on October 10, 2001, as a candidate  
3 “controlled committee” within the meaning of Government Code section 82016, to support Defendant  
4 Machado’s re-election to the state senate in the 2004 primary and general elections. At all times  
5 relevant to this matter, the identification number for Defendant Machado for Senate 2004 (hereinafter  
6 the “2004 Committee”), assigned by the Secretary of State, was 1238907.

7 Stephen K. Sinnock

8 At all times relevant to this matter, Defendant Stephen K. Sinnock (hereinafter “Sinnock”) was  
9 the treasurer of both Defendant 2000 Committee and Defendant 2004 Committee.

10 2. SUMMARY OF THE LAW

11 “One Bank Account Rule”

12 Government Code section 85201, as implemented by title 2, California Code of Regulations,  
13 section 18521, subdivision (a), requires a candidate who receives \$1,000 or more in a calendar year for  
14 an election to establish a separate campaign bank account prior to soliciting or receiving any  
15 contributions, and to establish a separate campaign committee upon receiving contributions of \$1,000  
16 or more, for the specific elective office sought.

17 Pursuant to Government Code section 85201, subdivision (c), all contributions for a specific  
18 elective office shall be deposited into a campaign bank account established for that elective office.

19 Pursuant to Government Code section 85201, subdivision (e), all expenditures for a specific  
20 elective office shall be made from a campaign bank account established for that elective office.

21 Contribution Limitations

22 Among the express findings and declarations of the Act is an expression of concern about the  
23 increase in the costs of conducting election campaigns, and the disproportionate influence of large  
24 contributions over governmental decisions. (Gov. Code § 81001, subd.(c).) Government Code section  
25 81001, subdivision (d) declares that the influence of large campaign contributions has increased, and  
26 that existing laws for the disclosure of campaign receipts and expenditures have been inadequate.

27 To address these concerns about large contributions and the disproportionate influence that is  
28 garnered by large contributors, Proposition 34, which was passed by the voters on November 7, 2000,

1 added new campaign finance provisions to the Act, including campaign contribution limits.

2 Proposition 34 became effective for legislative candidates on January 1, 2001. (Gov. Code § 85100, et  
3 seq.)

4 The Act provides, at Government Code section 89510, subdivision (a), that a candidate for  
5 elective state office may only accept contributions within the limits set forth in Chapter 5 of the Act,  
6 commencing with Government Code section 85100.

7 Pursuant to Government Code section 85301, subdivision (a), as implemented by title 2,  
8 California Code of Regulations, section 18545, subdivision (a)(1), the limit on any contribution that  
9 may be made to, and accepted by, a candidate for state senate from a person, other than a small  
10 contributor committee or political party committee, for an election occurring during the period January  
11 1, 2003 through December 31, 2004, is three thousand two hundred dollars (\$3,200) per election. As  
12 such, for the 2004 primary and general elections for state senate, the maximum combined contribution  
13 limit that a candidate for state senate may accept from a person, other than a small contributor  
14 committee or political party committee, from January 1, 2003 through December 31, 2004 is six  
15 thousand four hundred dollars (\$6,400).

16 Pursuant to Government Code section 85302, subdivision (a), as implemented by title 2,  
17 California Code of Regulations, section 18545, subdivision (a)(4), the limit on any contribution that  
18 may be made to, and accepted by, a candidate for state senate from a small contributor committee for  
19 an election occurring during the period January 1, 2003 through December 31, 2004, is six thousand  
20 four hundred dollars (\$6,400) per election. As such, for the 2004 primary and general elections for  
21 state senate, the maximum combined contribution limit for a small contributor committee from January  
22 1, 2003 through December 31, 2004 is twelve thousand eight hundred dollars (\$12,800).

23 Pursuant to Government Code section 85316, a contribution for an election may be accepted by  
24 a candidate for elective state office after the date of the election only to the extent that the contribution  
25 does not exceed net debts outstanding from the election, and the contribution does not otherwise exceed  
26 the applicable contribution limits for that election. Upon becoming operative on or about November 3,  
27 2001, title 2, California Code of Regulations, section 18531.6, implementing Government Code section  
28 85316, provided at subdivision (a) that the prohibition in section 85316 against post-election

1 fundraising in excess of net debt did not apply to contributions received by a candidate for elective state  
2 office in an election held prior to January 1, 2001. Pursuant to that same regulation, a candidate for  
3 elective state office in an election held prior to January 1, 2001, could continue to receive contributions  
4 without limits after the election for expenses related to holding office. On January 14, 2004, the  
5 Commission amended regulation 18531.6 on an emergency basis, to sunset its provisions on January  
6 23, 2004. Pursuant to title 2, California Code of Regulations, section 18531.61, as of January 24, 2004,  
7 a contribution for an election, regardless of when held, may be accepted by a candidate for elective  
8 state office after the date of the election only to the extent that the contribution does not exceed net  
9 debts outstanding from the election, and does not otherwise exceed applicable contribution limits.

#### 10 Campaign Disclosure

11 An express purpose of the Act, as set forth in Government Code section 81002, subdivision (a),  
12 is to ensure that the contributions and expenditures affecting election campaigns are fully and truthfully  
13 disclosed to the public, so that voters may be better informed, and so that improper practices may be  
14 inhibited.

15 In furtherance of this purpose of disclosure, the Act requires candidates, their controlled  
16 committees, and the treasurers of those committees, to file periodic campaign statements and reports,  
17 disclosing their financial activities. (Gov. Code § 84200, et seq.)

18 Government Code section 82013, subdivision (a) provides that any person or combination of  
19 persons who directly or indirectly receives \$1,000 or more in a calendar year is a “committee.” This  
20 type of committee is commonly referred to as a “recipient committee” under the Act. Pursuant to  
21 Government Code section 82016, subdivision (a), a recipient committee that is controlled directly or  
22 indirectly by a candidate is a “controlled committee.”

23 Under Government Code section 84215, subdivision (b), Members of the Legislature,  
24 candidates for those offices, their controlled committees, and the treasurers of those committees, are  
25 required to file their campaign statements with the Secretary of State and with the county with the  
26 largest number of registered voters in the districts affected.

27 Additionally, under Government Code section 84605, subdivision (a), any candidate or  
28 committee that is required to file campaign statements in connection with a state elective office, that

1 cumulatively receives contributions or makes expenditures totaling fifty thousand dollars (\$50,000) or  
2 more, is required to file its campaign statements online or electronically with the Secretary of State,  
3 beginning July 1, 2000, for every reporting period thereafter. Further, under Government Code section  
4 85309, subdivision (a), a candidate for state elective office who is required to file reports pursuant to  
5 section 84605 must file online or electronically with the Secretary of State a report disclosing the  
6 receipt of any contribution of \$1,000 or more received during an election cycle.

7 To further ensure that the express purposes of the Act are achieved, Government Code section  
8 84211 prescribes the contents of campaign statements. Government Code section 84211, subdivisions  
9 (c) and (i), requires each campaign statement to contain information regarding the total amount of  
10 contributions received during the period covered by the campaign statement from persons who have  
11 given a cumulative amount of one hundred dollars (\$100) or more, and information regarding the total  
12 amount of expenditures made during the period covered by the campaign statement to persons who  
13 have received one hundred dollars (\$100) or more.

14 Government Code section 84211, subdivision (f) requires detailed information for contributions  
15 of \$100 or more. It provides that if the cumulative amount of contributions received from a person is  
16 one hundred dollars (\$100) or more, and a contribution has been received from that person during the  
17 period covered by the campaign statement, the statement must disclose identifying information about  
18 the contributor, the date and amount of each contribution received from the contributor during the  
19 reporting period, and the cumulative amount of the contributor's contributions.

20 Similarly, Government Code section 84211, subdivision (k) requires detailed information for  
21 expenditures of \$100 or more. It provides that for each person to whom an expenditure of one hundred  
22 dollars (\$100) or more has been made during the period covered by the campaign statement, the  
23 statement must disclose identifying information about the payee, the amount of each expenditure, and a  
24 brief description of the consideration for which each expenditure was made.

### 25 3. CIVIL LIABILITY PROVISIONS

26 Government Code section 91004 provides that any person who intentionally or negligently  
27 violates any of the reporting requirements of the Act shall be liable in a civil action in an amount up to  
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1 the amount(s) not properly reported. Persons who violate Government Code section 84211 are liable in  
2 a civil action brought pursuant to Government Code section 91004.

3 Government Code section 91005.5 provides that any person who violates any provision of the  
4 Act for which no specific civil penalty is provided, shall be liable in a civil action for an amount up to  
5 five thousand dollars (\$5,000) per violation. Persons who violate Government Code sections 85201,  
6 85301, and 85302 are liable in a civil action pursuant to Government Code section 91005.5.

7 Pursuant to Government Code sections 81004, subdivision (b) and 84100, as implemented by  
8 title 2, California Code of Regulations, section 18427, subdivision (a), it is the duty of a committee's  
9 treasurer to ensure that the committee complies with all of the requirements of the Act concerning the  
10 receipt and expenditure of funds, and the reporting of such funds. A committee's treasurer may be held  
11 jointly and severally liable, along with the committee, for any reporting violations committed by the  
12 committee. (Gov. Code § 91006.)

13 4. SUMMARY OF THE FACTS

14 In January 2001, shortly after having been elected to the office of state senate in the statewide  
15 general election of November 7, 2000, Defendant Machado began soliciting and receiving contributions  
16 for his state senate re-election campaign and for his officeholder expenses. As a candidate for re-  
17 election to the office of state senate in 2004, Defendant Machado had a duty to establish a separate  
18 campaign bank account prior to soliciting or receiving any contributions, and a duty to establish a  
19 separate campaign committee upon receiving contributions of \$1,000 or more, for his re-election  
20 campaign. Prior to March 2002, a candidate for elective state office could establish a separate  
21 campaign committee and a separate campaign bank account for a future election for the same office, by  
22 re-designating his existing campaign committee and campaign bank account.

23 Although Defendant Machado began receiving contributions for his state senate re-election  
24 campaign in January 2001, he did not establish a separate campaign committee or separate bank  
25 account for his re-election, by opening a new committee and bank account or by re-designating his  
26 existing committee and bank account, until October 2001, when he established Defendant 2004  
27 Committee and a new bank account.

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1           Upon receiving contributions for the re-election campaign, Defendants Machado and Sinnock  
2 had a duty to deposit all such contributions into the separate campaign bank account established for that  
3 election campaign. Similarly, in making expenditures for the re-election campaign, Defendants  
4 Machado and Sinnock had a duty to make all such expenditures from the separate campaign bank  
5 account established for that election campaign. This requirement is commonly known as the “one bank  
6 account rule.”

7           Defendants publicly reported contributions received and expenditures made for Defendant  
8 Machado’s re-election campaign for state senate in timely filed campaign statements. However, as a  
9 result of violating the one bank account rule, Defendants misreported those transactions, by reporting  
10 the contributions and expenditures for Defendant Machado’s state senate re-election campaign on the  
11 campaign statements of Defendant 2000 Committee. Additionally, as a result of violating the one bank  
12 account rule, Defendant Machado failed to count all of the contributions he received for his re-election  
13 campaign against the limits for a candidate for state senate for an election occurring in 2004, and  
14 therefore accepted contributions in excess of the applicable limits.

15           Upon learning of the violations, Defendant Machado, who never before has been the subject of  
16 an enforcement action by the Commission, cooperated fully with the Commission, terminated  
17 Defendant 2000 Committee, voluntarily returned the contributions identified in this stipulation as  
18 having been made in excess of the contribution limits, and began taking steps to amend his campaign  
19 committee reports as described herein.

20           Plaintiff Commission conducted an investigation of the matters alleged in the complaint. The  
21 investigation concluded with the filing of the complaint and the resolution as stated in this stipulated  
22 judgment.

23           A.     FIRST CAUSE OF ACTION

24           On or about January 23, 2001, Defendant Machado received a contribution of \$1,000 in support  
25 of his re-election campaign for state senate from the Enron Corporation.

26           As a candidate receiving \$1,000 or more in a calendar year for his re-election campaign,  
27 Defendant Machado was required, under Government Code section 85201, to establish a separate  
28 campaign bank account and a separate campaign committee for his re-election to the office of state

senate in 2004. Defendant Machado was required to establish the separate campaign bank account prior to soliciting or receiving any contributions, and to establish the separate campaign committee upon receiving contributions of \$1,000 or more.

On or about October 10, 2001, Defendant Machado established Defendant 2004 Committee, in conjunction with his bid for re-election to the office of state senate in the 2004 primary and general elections. Approximately two weeks earlier, Defendant Machado opened a separate campaign bank account for his 2004 re-election campaign.

By intentionally or negligently failing to timely establish a separate campaign committee and a separate campaign bank account for his 2004 re-election campaign for state senate, Defendant Machado violated Government Code section 85201.

**B. SECOND CAUSE OF ACTION**

On or about and between January 23, 2001 through September 30, 2003, Defendants Machado and Sinnock received approximately one hundred eighty-nine contributions, totaling approximately \$235,657, for Defendant Machado's re-election to state senate in 2004, and subsequently deposited those contributions into the campaign bank account of Defendant 2000 Committee, a committee that was established for Defendant Machado's election to state senate in 2000. The majority of those contributions were received prior to October 10, 2001, when Defendant Machado established a new campaign bank account and campaign committee for the 2004 re-election.

As a candidate and a committee treasurer that were receiving contributions for Defendant Machado's 2004 state senate re-election campaign, Defendants Machado and Sinnock were required, under Government Code section 85201, subdivision (c), to deposit those contributions into a campaign bank account established for election to that office.

The approximate one hundred eighty-nine contributions deposited into the campaign bank account of Defendant 2000 Committee, both before and after the establishment of the new campaign bank account for the 2004 re-election, are set forth in the following chart:

Violation	Name of Contributor	Date Made	Amount of Contribution	Date of Deposit
1.	Enron Corporation	01/10/01	\$1,000	02/01/01
2.	Duke Energy	12/05/00	\$2,500	02/12/01

3.	West Coast Grape Farms	12/29/00	\$5,000	03/06/01
4.	California Association of Psychiatric Technicians, Inc. Political Action Committee	02/23/01	\$1,000	03/13/01
5.	California Building Industry Association PAC	02/27/01	\$1,000	03/13/01
6.	California Department of Forestry Firefighters PAC	03/06/01	\$3,000	03/13/01
7.	Consulting Engineers & Land Surveyors PAC	02/27/01	\$1,000	03/13/01
8.	Driving School Association of California, Inc.	02/24/01	\$1,000	03/13/01
9.	Union Pacific Railroad Co.	03/05/01	\$1,000	03/13/01
10.	California Cable Television Association	03/13/01	\$1,000	03/15/01
11.	Household Finance Group	03/08/01	\$1,000	03/15/01
12.	California Motor Car Dealers Association PAC	03/14/01	\$1,000	03/20/01
13.	Agua Caliente Band of Cahuilla Indians	03/15/01	\$2,000	03/27/01
14.	California Association of Mortgage Brokers PAC	03/19/01	\$1,000	03/27/01
15.	California Grape & Tree Fruit League FRUITPAC	03/22/01	\$1,000	03/27/01
16.	California Veterinary Medical Association	03/21/01	\$1,000	03/27/01
17.	Professional Engineers in California Government	03/21/01	\$1,000	03/27/01
18.	Southern Wine and Spirits	03/15/01	\$1,000	03/27/01
19.	Western United Dairymen PAC	03/15/01	\$1,000	03/27/01
20.	Young's Market Company	03/14/01	\$1,000	03/27/01
21.	Blue Cross of California	03/22/01	\$1,000	03/30/01
22.	BP AMOCO Corporation	03/21/01	\$1,000	03/30/01
23.	California Agricultural Production Consultants Association PAC	03/27/01	\$1,000	03/30/01
24.	California Applicants' Attorneys Association PAC	03/26/01	\$1,000	03/30/01
25.	California Bankers Association State PAC	03/28/01	\$1,000	03/30/01
26.	The Clorox Company	03/23/01	\$1,000	03/30/01
27.	Associated General Contractors PAC of California	03/30/01	\$1,000	04/05/01
28.	California Association of Collectors PAC-FUND	03/14/01	\$500	04/05/01
29.	California Association of Licensed Investigators PAC	03/27/01	\$1,000	04/05/01

30.	California Mortgage Association PAC	03/27/01	\$1,000	04/05/01
31.	Del Mar Thoroughbred Club	03/26/01	\$500	04/05/01
32.	Anheuser-Busch Cos., Inc.	04/02/01	\$1,000	04/17/01
33.	California Mining Association's Mining Industries PAC	04/13/01	\$1,000	04/20/01
34.	Californians for Civil Justice Reform PAC	04/02/01	\$1,000	04/20/01
35.	Peace Officers' Research Association of California PAC	04/12/01	\$2,000	04/20/01
36.	AT&T	04/25/01	\$1,000	05/17/01
37.	California Pharmacists PAC	05/03/01	\$500	03/17/01
38.	Chevron Corporation	05/08/01	\$1,000	05/17/01
39.	Mercury General Corporation	04/11/01	\$1,000	05/17/01
40.	Southern California Concrete and Rock Products PAC	04/17/01	\$1,000	05/17/01
41.	Agricultural Council of California PAC	05/30/01	\$500	06/01/01
42.	EDS	02/05/01	\$750	06/01/01
43.	Plastics California PAC	05/21/01	\$500	06/01/01
44.	Verizon Services Group	05/16/01	\$1,000	06/01/01
45.	BP AMOCO	05/29/01	\$1,000	06/14/01
46.	California Chamber of Commerce PAC	06/11/01	\$500	06/14/01
47.	California Healthcare Association PAC Sponsored by the California Healthcare Association	06/08/01	\$1,000	06/14/01
48.	California Medical Association Small Contributor Committee	05/31/01	\$1,000	06/14/01
49.	CIGNA Healthcare of California, Inc.	06/04/01	\$1,000	06/14/01
50.	E & J Gallo Winery	06/04/01	\$2,500	06/14/01
51.	Ernst & Young-Los Angeles PAC	05/25/01	\$500	06/14/01
52.	Firefighters' Legislative Action Group	06/01/01	\$500	06/14/01
53.	KPMG, LLP	03/02/01	\$500	06/14/01
54.	TOSCO Corporation	06/01/01	\$1,000	06/14/01
55.	California Bankers Association State PAC	06/08/01	\$1,000	06/22/01
56.	Dairy Institute Legislative Committee	06/07/01	\$500	06/22/01

57.	Dairy Institute Legislative Committee	06/07/01	\$2,000	06/22/01
58.	Pacific Bell/Pacific Telesis Group Employee PAC	06/11/01	\$2,500	06/22/01
59.	Professional Engineers in California Government	06/13/01	\$1,000	06/22/01
60.	Dow Chemical Company	06/14/01	\$2,000	06/22/01
61.	Zenith Insurance Company	06/14/01	\$2,500	06/22/01
62.	Associated General Contractors PAC of California	06/21/01	\$500	06/29/01
63.	California Association of Professional Liability Insurers PAC	06/26/01	\$500	06/29/01
64.	California Conference Board Amalgamated Transit Union PAC	06/11/01	\$500	06/29/01
65.	California Forestry Association PAC	06/18/01	\$1,000	06/29/01
66.	California Independent Oil Marketers PAC	06/29/01	\$500	06/29/01
67.	California State Employees' Association Member Action Committee	06/22/01	\$2,500	06/29/01
68.	Calpine Corporation	06/19/01	\$1,500	06/29/01
69.	California Dermatology Society PAC	06/27/01	\$500	07/06/01
70.	Dow Agrosiences, LLC	06/28/01	\$500	07/06/01
71.	Dow Agrosiences, LLC	06/28/01	\$500	07/06/01
72.	Gateway Companies, Inc.	06/18/01	\$1,000	07/09/01
73.	California Association of Community Managers PAC	07/09/01	\$1,000	07/20/01
74.	California Society of Certified Public Accountants PAC	06/19/01	\$1,000	07/20/01
75.	California Association of Nurserymen PAC	07/17/01	\$500	07/30/01
76.	Frank C. Alegre, Sr.	07/18/01	\$500	07/30/01
77.	Lodi Gas Storage, LLC	07/24/01	\$1,000	07/30/01
78.	PAM Companies, dba Professional Apartment Management, David Michael	07/30/01	\$1,000	08/03/01
79.	Thoroughbred Owners of California PAC	07/17/01	\$500	08/06/01
80.	Dairy Institute Legislative Committee	07/31/01	\$500	08/13/01
81.	Herum, Crabtree & Brown, Attorneys at Law	08/06/01	\$1,000	08/13/01
82.	Malissa McKeith	07/30/01	\$500	08/13/01
83.	Raymus Properties, Inc./Tony Marie Raymus	07/27/01	\$1,000	08/13/01

84.	Schools Credit Union	07/31/01	\$500	08/13/01
85.	William Filios	08/02/01	\$1,000	08/13/01
86.	American Medical Response	08/14/01	\$500	08/21/01
87.	AWIN Management, Inc. c/o Allied Waste North America, Inc.	08/10/01	\$1,000	08/21/01
88.	California Citrus Mutual PAC	08/02/01	\$500	08/21/01
89.	California Dairies	08/06/01	\$1,000	08/21/01
90.	Interstate Truck Center	08/21/01	\$500	08/21/01
91.	Newhall Land and Farming Company	08/9/01	\$500	08/21/01
92.	DSS Company	08/15/01	\$500	08/27/01
93.	The Doctors' Company PAC	08/10/01	\$500	08/27/01
94.	California Association of Health Facilities PAC	07/31/01	\$500	08/28/01
95.	California Teachers Association/Association for Better Citizenship	08/02/01	\$1,500	08/28/01
96.	Law Offices of Daniel F. Quinn	08/21/01	\$500	08/30/01
97.	Partners Real Estate	08/08/01	\$500	08/30/01
98.	San Joaquin, Calaveras, Alpine and Amador Counties Building Trades Council	08/22/01	\$1,500	08/30/01
99.	Sun-Maid Growers of California	08/02/01	\$1,000	08/30/01
100.	PAC West Telecom, Inc.	08/07/01	\$1,000	09/05/01
101.	Western United Dairymen	08/30/01	\$1,000	09/06/01
102.	California State Pipe Trades Council Political Action Fund	08/29/01	\$500	09/07/01
103.	Conti Material Service, Inc.	09/06/01	\$500	09/13/01
104.	A.C. Trucking, Inc.	09/07/01	\$500	09/14/01
105.	Bank of Stockton	09/06/01	\$1,000	09/14/01
106.	Farmers & Merchants Bank of Central California	09/07/01	\$1,000	09/14/01
107.	M & R Company of Growers, Packers, and Shippers	09/07/01	\$1,000	09/14/01
108.	Morris W. Knight	09/07/01	\$500	09/14/01
109.	R. Kirk Lindsey	08/01/01	\$500	09/14/01
110.	State Building and Construction Trades Council of California PAC	08/21/01	\$1,000	09/14/01

111.	Anheuser-Busch Cos., Inc.	09/07/01	\$1,000	09/19/01
112.	Blue Cross of California	09/10/01	\$1,000	09/19/01
113.	BP Corporation of North America, Inc.	09/07/01	\$1,000	09/19/01
114.	Heritage Eye Associates Vision Care Center	09/12/01	\$1,000	09/19/01
115.	John P. Butorac	09/13/01	\$500	09/19/01
116.	Motion Picture Association of America California PAC	09/07/01	\$1,000	09/19/01
117.	Mountain Valley Express Company, Inc.	09/13/01	\$500	09/19/01
118.	San Manuel Tribal Administration	09/05/01	\$1,000	09/19/01
119.	Western Manufactured Housing Communities Association PAC	09/06/01	\$1,000	09/19/01
120.	Zenith Insurance Company	09/11/01	\$1,000	09/19/01
121.	California Building Industry Association PAC	09/14/01	\$1,000	09/20/01
122.	DeGregori, Gormsen & Ringer, LLP Certified Public Accountants	09/18/01	\$500	09/24/01
123.	California Distributors Association PAC	09/19/01	\$750	10/03/01
124.	Grocery Manufacturers of America	09/17/01	\$500	10/03/01
125.	Hewlett Packard	08/17/01	\$2,000	01/15/02
126.	Public Storage, Inc.	12/12/01	\$2,000	01/15/02
127.	AMGEN	12/19/01	\$1,000	01/19/02
128.	California Association of Mortgage Brokers PAC	01/15/02	\$1,500	01/19/02
129.	California Dental PAC Small Contributor Committee	01/16/02	\$3,000	01/19/02
130.	California Credit Union League PAC	01/24/02	\$1,500	02/05/02
131.	California Department of Forestry Firefighters PAC	01/23/02	\$3,000	02/05/02
132.	Oak Tree Racing Association	01/18/02	\$750	02/05/02
133.	Premier West Credit Union	01/22/02	\$1,500	02/05/02
134.	Sacramento County Deputy Sheriffs' Association	01/23/02	\$3,000	02/05/02
135.	USBancorp. Political Participation Federal PAC	12/17/01	\$1,500	02/05/02
136.	Advance America	01/23/02	\$2,000	02/09/02
137.	Bank of America California PAC	01/31/02	\$2,000	02/09/02



138.	California Association of Professional Liability Insurers PAC	02/04/02	\$1,500	02/09/02
139.	California Bankers Association State PAC	01/24/02	\$1,500	02/09/02
140.	California Financial Services Association PAC	02/04/02	\$1,500	02/09/02
141.	California Independent Oil Marketers PAC	01/28/02	\$1,000	02/09/02
142.	California Mortgage Association PAC	01/23/02	\$1,500	02/09/02
143.	California Association of Collectors PAC-Fund	01/31/02	\$750	02/09/02
144.	PG&E Corporation	01/31/02	\$3,000	02/09/02
145.	Union Pacific Railroad Co.	01/11/02	\$1,000	02/09/02
146.	California Association of Health Facilities PAC	02/14/02	\$1,000	02/15/02
147.	California State Employees' Association Member Action Committee	02/05/02	\$1,500	02/15/02
148.	Kroger	02/05/02	\$1,000	02/15/02
149.	Mercury General Corporation	01/23/02	\$1,500	02/15/02
150.	The Doctors' Company PAC	02/12/02	\$500	02/15/02
151.	Burton J. McMurtry	01/30/02	\$1,000	02/22/02
152.	Barona G & A Account	02/13/02	\$3,000	03/02/02
153.	Building Owners & Managers Association of California PAC	02/21/02	\$1,000	03/02/02
154.	AFLAC, Inc.	02/18/02	\$1,000	03/04/02
155.	AT&T Wireless	02/01/02	\$1,500	03/04/02
156.	Operating Engineers Local No. 3 Statewide PAC	01/21/02	\$3,000	03/04/02
157.	Peace Officers Research Association of California (PORAC PAC)	02/16/02	\$1,500	03/04/02
158.	Steven T. Kirsch Trustee, The Kirsch Revocable Trust	02/04/02	\$1,000	03/04/02
159.	AOL Time Warner	02/25/02	\$750	03/06/02
160.	AWIN Management, Inc. c/o Allied Waste North America, Inc.	03/01/02	\$3,000	03/06/02
161.	California Hotel & Lodging Association PAC	01/28/02	\$1,000	03/06/02
162.	TRW Good Government Fund	04/08/02	\$1,000	06/03/02
163.	California Beer and Beverage Distributors Community Affairs	08/02/02	\$3,000	08/16/02
164.	California League of Food Processors PAC	08/08/02	\$1,000	08/16/02

1	165.	California Orthotics & Prosthetics Association PAC	08/06/02	\$3,000	08/16/02
2	166.	Building Owners & Managers Association of California PAC	08/22/02	\$1,000	09/03/02
3	167.	California Bankers Association Slate PAC	08/29/02	\$1,000	09/13/02
4	168.	Waste Management-Western Group and Waste Management, Affiliated Entities	08/16/02	\$1,000	09/13/02
5	169.	New United Motor Mfg., Inc. Good Government Fund	09/10/02	\$500	09/23/02
6	170.	California Department of Forestry Firefighters Small Contributor PAC	09/22/02	\$1,000	09/30/02
7	171.	Personal Insurance Federation of California PAC	09/23/02	\$1,000	09/30/02
8	172.	AWIN Management, Inc. c/o Allied Waste North America, Inc.	09/20/02	\$1,000	10/07/02
9	173.	Pacific Coast Producers PAC	09/25/02	\$500	10/07/02
10	174.	7-Eleven, Inc.	10/16/02	\$907.11	10/19/02
11	175.	Kroger for Ralphs Grocery Company	10/09/02	\$1,000	10/30/02
12	176.	AT&T	08/27/02	\$3,000	10/31/02
13	177.	Recording Industry Association of America, Inc.	10/24/02	\$3,000	11/01/02
14	178.	DeMenno Kerdoon	04/30/03	\$5,000	05/13/03
15	179.	Robert Simonds	06/3/03	\$10,000	06/23/03
16	180.	Hewlett Packard	07/25/03	\$1,000	09/05/03
17	181.	AWIN Management, Inc. c/o Allied Waste North America, Inc.	08/29/03	\$3,000	09/12/03
18	182.	California Refuse Removal Council South PAC	09/05/03	\$1,500	09/12/03
19	183.	Check'n Go of California	08/26/03	\$500	09/12/03
20	184.	Sempra Energy	09/02/03	\$3,000	09/12/03
21	185.	Washington Mutual Bank	08/29/03	\$3,000	09/12/03
22	186.	Camp, Dresser & McKee, Inc.	08/08/03	\$1,000	09/30/03
23	187.	Heritage Eye Associates Vision Care Center	08/08/03	\$1,000	09/30/03
24	188.	Koopman & Sons Dairy	08/13/03	\$1,000	09/30/03
25	189.	Milk Producers Council PAC	08/12/03	\$1,000	09/30/03
26		<b>TOTAL</b>		<b>\$235,657</b>	

By intentionally or negligently failing to deposit the above-described one hundred eighty-nine contributions for Defendant Machado's 2004 re-election to state senate into a campaign bank account established for election to that office, Defendants Machado, Sinnock, 2000 Committee, and 2004 Committee violated Government Code section 85201, subdivision (c).

**C. THIRD CAUSE OF ACTION**

On or about and between June 12, 2001 through December 31, 2003, Defendants Machado and Sinnock made approximately fifty-eight expenditures, totaling approximately \$246,762, for fundraising, consulting, and other expenses for Defendant Machado's re-election to state senate in 2004, by issuing checks from the campaign bank account of Defendant 2000 Committee, a committee that was established for Defendant Machado's election to state senate in 2000.

As a candidate and committee treasurer that were making expenditures for Defendant Machado's 2004 state senate re-election campaign, Defendants Machado and Sinnock were required, under Government Code section 82501, subdivision (e), to make those expenditures from a campaign bank account established for election to that office.

The approximate fifty-eight expenditures made from the campaign bank account of Defendant 2000 Committee, both before and after establishment of the new campaign bank account for the 2004 re-election, are set forth in the following chart:

<b>Violation</b>	<b>Name of Payee</b>	<b>Date Made</b>	<b>Amount of Expenditure</b>	<b>Purpose of Expenditure</b>
1.	Lighthouse Bar & Grill	06/12/01	\$746	Fundraising
2.	BDL Investments c/o Property Services	06/30/01	\$6,916	Office Expenses
3.	Sandy Lacy, dba S.J. Lacy Productions	06/30/01	\$568	Fundraising
4.	Sandy Lacy, dba S.J. Lacy Productions	06/30/01	\$15,256	Fundraising
5.	U.S. Postmaster	08/20/01	\$1,200	Fundraising
6.	Beckrest Graphic Design Advertising	08/21/01	\$777	Fundraising
7.	Firefighter Print & Design	09/05/01	\$4,525	Fundraising
8.	Anne Foster Baird	09/27/01	\$500	Fundraising
9.	Ann Foster Baird	10/11/01	\$4,650	Fundraising

10.	BDL Investments c/o Property Services	12/31/01	\$5,928	Office Expenses
11.	Sandy Lacy, dba S.J. Lacy Productions	12/31/01	\$12,870	Fundraising
12.	Stockton Waterloo Gun & Bocci Club, Inc.	12/31/01	\$17,400	Fundraising
13.	Virga Catering, Inc.	12/31/01	\$1,121	Fundraising
14.	BDL Investments, c/o Property Services	02/16/02	\$988	Office Expenses
15.	Sandy Lacy, dba S.J. Lacy Productions	02/16/02	\$2,000	Fundraising
16.	BDL Investments c/o Property Services	06/30/02	\$4,212	Office Expenses
17.	Sandy Lacy, dba S.J. Lacy Productions	06/30/02	\$5,000	Fundraising
18.	Monica Cisneros, dba Animo	07/20/02	\$1,324	Fundraising
19.	Monica Cisneros, dba Animo	08/05/02	\$2,425	Fundraising
20.	Christopher Beckrest, dba Beckrest Graphic	08/12/02	\$664	Fundraising
21.	U.S. Postmaster	08/20/02	\$3,500	Fundraising
22.	Firefighter Print & Design	08/30/02	\$5,778	Fundraising
23.	BDL Investments c/o Property Services	09/30/02	\$4,160	Office Expenses
24.	Anne Foster Baird	10/08/02	\$7,500	Fundraising
25.	Monica Cisneros, dba Animo	10/19/02	\$1,275	Fundraising
26.	Stockton Waterloo Gun & Bocci Club, Inc.	10/19/02	\$17,650	Fundraising
27.	McKinley Pillows Fundraising and Events	10/28/02	\$1,517	Fundraising
28.	Monica Cisneros, dba Animo	11/07/02	\$2,100	Fundraising
29.	Monica Cisneros, dba Animo	11/20/02	\$1,725	Fundraising
30.	Monica Cisneros, dba Animo	12/05/02	\$1,700	Fundraising
31.	Monica Cisneros, dba Animo	12/17/02	\$1,518	Fundraising
32.	BDL Investments c/o Property Services	12/31/02	\$2,080	Office Expenses
33.	Monica Cisneros, dba Animo	01/07/03	\$1,125	Fundraising
34.	Monica Cisneros, dba Animo	01/22/03	\$3,395	Fundraising
35.	Monica Cisneros, dba Animo	03/05/03	\$2,337	Fundraising
36.	Norma Smith-Davis, dba Davis Associates	03/05/03	\$2,850	Consulting

37.	Monica Cisneros, dba Animo	03/28/03	\$2,705	Fundraising
38.	Monica Cisneros, dba Animo	04/09/03	\$3,753	Fundraising
39.	Monica Cisneros, dba Animo	04/22/03	\$3,809	Fundraising
40.	Monica Cisneros, dba Animo	05/05/03	\$2,775	Fundraising
41.	Norma Smith-Davis, dba Davis Associates	05/13/03	\$4,404	Consulting
42.	Monica Cisneros, dba Animo	05/20/03	\$2,925	Fundraising
43.	Monica Cisneros, dba Animo	06/03/03	\$6,375	Fundraising
44.	Norma Smith-Davis, dba Davis Associates	06/05/03	\$6,488	Consulting
45.	Monica Cisneros, dba Animo	06/17/03	\$7,500	Fundraising
46.	BDL Investments c/o Property Services	06/30/03	\$7,592	Office Expenses
47.	Monica Cisneros, dba Animo	07/08/03	\$8,025	Fundraising
48.	Norma Smith-Davis, dba Davis Associates	07/10/03	\$4,140	Consulting
49.	Virgas Catering, Inc.	07/14/03	\$1,023	Fundraising
50.	Monica Cisneros, dba Animo	07/18/03	\$6,675	Fundraising
51.	Monica Cisneros, dba Animo	08/07/03	\$5,700	Fundraising
52.	Monica Cisneros, dba Animo	08/19/03	\$5,025	Fundraising
53.	Monica Cisneros, dba Animo	09/03/03	\$4,425	Fundraising
54.	Norma Smith-Davis, dba Davis Associates	09/29/03	\$2,391	Consulting
55.	BDL Investments c/o Property Services	09/30/03	\$2,184	Office Expenses
56.	Norma Smith-Davis, dba Davis Associates	11/10/03	\$1,813	Consulting
57.	Norma Smith-Davis, dba Davis Associates	12/08/03	\$2,295	Consulting
58.	BDL Investments c/o Property Services	12/31/03	\$5,460	Office Expenses
	<b>TOTAL</b>		\$246,762	

By intentionally or negligently failing to make the above-described fifty-eight expenditures for Defendant Machado's 2004 re-election to state senate from a campaign bank account established for that office, Defendants Machado, Sinnock, 2000 Committee, and 2004 Committee, violated Government Code section 85201, subdivision (e).

1           D.     FOURTH CAUSE OF ACTION

2           In the course of Defendant Machado's state senate re-election campaign, Defendants Machado,  
3 Sinnock, 2000 Committee, and 2004 Committee misreported contributions received and expenditures  
4 made in connection with Defendant Machado's re-election campaign for state senate by reporting these  
5 contributions and expenditures on the campaign statements of the incorrect committee, as follows:

6           On or about and between July 31, 2001 through May 20, 2004, Defendants Machado, Sinnock,  
7 2000 Committee, and 2004 Committee filed electronic and paper campaign statements and online  
8 contribution reports that incorrectly reported the above-referenced one hundred eighty-nine  
9 contributions as contributions to Defendant 2000 Committee, and the above-referenced fifty-eight  
10 expenditures as expenditures made by Defendant 2000 Committee, and failed to report those  
11 contributions and expenditures, as contributions to and expenditures made by, Defendant 2004  
12 Committee.

13           In the semi-annual campaign statement of Defendant 2000 Committee, filed on or about July  
14 31, 2001, for the reporting period ending June 30, 2001, and on a subsequent amendment, Defendants  
15 Machado, Sinnock, and 2000 Committee over-reported, and Defendants Machado, Sinnock, and 2004  
16 Committee under-reported, the total amount of contributions received during the reporting period in the  
17 approximate amount of \$78,750.

18           In the same semi-annual campaign statement of Defendants 2000 Committee, filed on or about  
19 July 31, 2001, described above, Defendants Machado, Sinnock, and 2000 Committee over-reported,  
20 and Defendants Machado, Sinnock, and 2004 Committee under-reported, the total amount of  
21 expenditures made during the reporting period in the approximate amount of \$23,487.

22           In the semi-annual campaign statements of Defendants 2000 Committee and 2004 Committee,  
23 filed on or about January 10, 2002, for the reporting period ending December 31, 2001, and on  
24 subsequent amendments, Defendants Machado, Sinnock, and 2000 Committee over-reported, and  
25 Defendants Machado, Sinnock, and 2004 Committee under-reported, the total amount of contributions  
26 received during the reporting period in the approximate amount of \$43,250.

27           In the same semi-annual campaign statements of Defendants 2000 Committee and 2004  
28 Committee, filed on or about January 10, 2002, described above, Defendants Machado, Sinnock, and

1 2000 Committee over-reported, and Defendants Machado, Sinnock, and 2004 Committee under-  
2 reported, the total amount of expenditures made during the reporting period in the approximate amount  
3 of \$48,970.

4 In the pre-election campaign statements of Defendants 2000 Committee and 2004 Committee,  
5 filed on or about January 24, 2002, for the reporting period ending January 19, 2002, and on subsequent  
6 amendments, Defendants Machado, Sinnock, and 2000 Committee over-reported, and Defendants  
7 Machado, Sinnock, and 2004 Committee under-reported, the total amount of contributions received  
8 during the reporting period in the approximate amount of \$9,500.

9 In the pre-election campaign statements of Defendants 2000 Committee and 2004 Committee,  
10 filed on or about February 22, 2002, for the reporting period ending February 16, 2002, and on  
11 subsequent amendments, Defendants Machado, Sinnock, and 2000 Committee over-reported, and  
12 Defendants Machado, Sinnock, and 2004 Committee under-reported, the total amount of contributions  
13 received during the reporting period in the approximate amount of \$32,500.

14 In the same pre-election campaign statements of Defendants 2000 Committee and 2004  
15 Committee, filed on or about February 22, 2002, described above, Defendants Machado, Sinnock, and  
16 2000 Committee over-reported, and Defendants Machado, Sinnock, and 2004 Committee under-  
17 reported, the total amount of expenditures made during the reporting period in the approximate amount  
18 of \$2,988.

19 In the semi-annual campaign statements of Defendants 2000 Committee and 2004 Committee,  
20 filed on or about July 31, 2002, for the reporting period ending June 30, 2002, and on a subsequent  
21 amendment, Defendants Machado, Sinnock, and 2000 Committee over-reported, and Defendants  
22 Machado, Sinnock, and 2004 Committee under-reported, the total amount of contributions received  
23 during the reporting period in the approximate amount of \$18,750.

24 In the same semi-annual campaign statements of Defendants 2000 and 2004 Committee, filed  
25 on or about July 31, 2002, described above, Defendants Machado, Sinnock, and 2000 Committee over-  
26 reported, and Defendants Machado, Sinnock, and 2004 Committee under-reported, the total amount of  
27 expenditures made during the reporting period in the approximate amount of \$9,212.

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1 In the pre-election campaign statements of Defendants 2000 Committee and 2004 Committee,  
2 filed on or about October 7, 2002, for the reporting period ending September 30, 2002, and on  
3 subsequent amendments, Defendants Machado, Sinnock, and 2000 Committee over-reported, and  
4 Defendants Machado, Sinnock, and 2004 Committee under-reported, the total amount of contributions  
5 received during the reporting period in the approximate amount of \$12,500.

6 In the same pre-election campaign statements of Defendants 2000 Committee and 2004  
7 Committee, filed on or about October 7, 2002, described above, Defendants Machado, Sinnock, and  
8 2000 Committee over-reported, and Defendants Machado, Sinnock, and 2004 Committee under-  
9 reported, the total amount of expenditures made during the reporting period in the approximate amount  
10 of \$17,851.

11 In the pre-election campaign statements of Defendants 2000 Committee and 2004 Committee,  
12 filed on or about October 24, 2002, for the reporting period ending October 19, 2002, and on a  
13 subsequent amendment, Defendants Machado, Sinnock, and 2000 Committee over-reported, and  
14 Defendants Machado, Sinnock, and 2004 Committee under-reported, the total amount of contributions  
15 received during the reporting period in the approximate amount of \$2,407.

16 In the same pre-election campaign statements of Defendants 2000 Committee and 2004  
17 Committee, filed on or about October 24, 2002, described above, Defendants Machado, Sinnock, and  
18 2000 Committee over-reported, and Defendants Machado, Sinnock, and 2004 Committee under-  
19 reported, the total amount of expenditures made during the reporting period in the approximate amount  
20 of \$26,425.

21 In the semi-annual campaign statements of Defendants 2000 Committee and 2004 Committee,  
22 filed on or about January 30, 2003, for the reporting period ending December 31, 2002, and on  
23 subsequent amendments, Defendants Machado, Sinnock, and 2000 Committee over-reported, and  
24 Defendants Machado, Sinnock, and 2004 Committee under-reported, the total amount of contributions  
25 received during the reporting period in the approximate amount of \$7,000.

26 In the same semi-annual campaign statements of Defendants 2000 Committee and 2004  
27 Committee, filed on or about January 30, 2003, described above, Defendants Machado, Sinnock, and  
28 2000 Committee over-reported, and Defendants Machado, Sinnock, and 2004 Committee under-



1 reported, the total amount of expenditures made during the reporting period in the approximate amount  
2 of \$10,640.

3 In the semi-annual campaign statements of Defendants 2000 Committee and 2004 Committee,  
4 filed on or about July 31, 2003 and July 29, 2003, respectively, for the reporting period ending June 30,  
5 2003, and on a subsequent amendment, Defendants Machado, Sinnock, and 2000 Committee over-  
6 reported, and Defendants Machado, Sinnock, and 2004 Committee under-reported, the total amount of  
7 contributions received during the reporting period in the approximate amount of \$15,000.

8 In the same semi-annual campaign statements of Defendants 2000 Committee and 2004  
9 Committee, filed on or about July 31, 2003 and July 29, 2003, respectively, described above,  
10 Defendants Machado, Sinnock, and 2000 Committee over-reported, and Defendants Machado,  
11 Sinnock, and 2004 Committee under-reported, the total amount of expenditures made during the  
12 reporting period in the approximate amount of \$58,033.

13 In the pre-election campaign statements of Defendants 2000 Committee and 2004 Committee,  
14 filed on or about October 10, 2003, for the reporting period ending September 30, 2003, and on  
15 subsequent amendments, Defendants Machado, Sinnock, and 2000 Committee over-reported, and  
16 Defendants Machado, Sinnock, and 2004 Committee under-reported, the total amount of contributions  
17 received during the reporting period in the approximate amount of \$16,000.

18 In the same pre-election campaign statements of Defendants 2000 Committee and 2004  
19 Committee, filed on or about October 10, 2003, described above, Defendants Machado, Sinnock, and  
20 2000 Committee over-reported, and Defendants Machado, Sinnock, and 2004 Committee under-  
21 reported, the total amount of expenditures made during the reporting period in the approximate amount  
22 of \$39,588.

23 In the semi-annual campaign statements of Defendants 2000 Committee and 2004 Committee,  
24 filed on or about January 12, 2004, for the reporting period ending December 31, 2003, and on a  
25 subsequent amendment, Defendants Machado, Sinnock, and 2000 Committee over-reported, and  
26 Defendants Machado, Sinnock, and 2004 Committee under-reported, the total amount of expenditures  
27 made during the reporting period in the approximate amount of \$9,569.

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By intentionally or negligently failing to properly disclose the one hundred and eighty-nine contributions and fifty-eight expenditures described above, Defendants Machado, Sinnock, 2000 Committee, and 2004 Committee violated Government Code section 84211, subdivisions (c), (f), (i), and (k).

**E. FIFTH CAUSE OF ACTION**

As Defendant Machado was a candidate for state senate for an election occurring during the period January 1, 2003 through December 31, 2004, he was prohibited from accepting from any person, as defined in Government Code section 82047, other than a small contributor committee or political party committee, any contribution that either individually, or in aggregation with other contributions from that same person, totaled more than three thousand two hundred dollars (\$3,200) per election. For the 2004 primary and general elections for state senate, the maximum combined contribution limit for a person from January 1, 2003 through December 31, 2004 is six thousand four hundred dollars (\$6,400).

In the course of depositing contributions into the campaign bank account of Defendant 2000 Committee, that were to support Defendant Machado's 2004 re-election campaign, Defendant Machado accepted from persons, other than small contributor committees or political party committees, nineteen contributions, totaling approximately \$49,800, for his state senate re-election campaign that were on their face, or in the aggregate, in excess of the limits applicable to a candidate for state senate.

Those nineteen contributions consist of the contributions described in the following chart:

<b>Violation</b>	<b>Name of Contributor (Person)</b>	<b>Total Amount of Contributions Subject to Limits Previously Accepted</b>	<b>Date Excessive Contribution Received</b>	<b>Amount of Contribution Accepted in Violation of the Limits</b>
1.	West Coast Grape Farms	\$5,000	04/22/03	\$3,200
2.	West Coast Grape Farms	\$8,200	04/22/03	\$3,200
3.	California Bankers Association State PAC	\$5,000	06/09/03	\$2,500
4.	California Bankers Association State PAC	\$7,500	09/30/03	\$200
5.	California Bankers Association State PAC	\$7,700	09/30/03	\$500
6.	California Bankers Association State PAC	\$8,200	05/14/04	\$1,000

7.	E & J Gallo Winery	\$5,700	06/09/03	\$1,800
8.	E & J Gallo Winery	\$7,500	04/30/04	\$1,200
9.	Robert Simonds	\$- 0 -	06/17/03	\$10,000
10.	Robert Simonds	\$10,000	04/13/04	\$3,200
11.	AWIN Management, Inc. c/o Allied Waste North America, Inc.	\$5,000	09/12/03	\$3,000
12.	AWIN Management, Inc. c/o Allied Waste North America, Inc.	\$8,000	06/03/04	\$2,500
13.	Dairy Institute Legislative Committee	\$6,200	01/27/04	\$1,400
14.	Sacramento County Deputy Sheriffs' Association	\$6,200	02/06/04	\$3,200
15.	Pacific Gas & Electric Corporation/ Pacific Gas & Electric Company	\$6,200	02/20/04	\$400
16.	The Zenith Insurance Company	\$3,500	05/17/04	\$3,200
17.	Agua Caliente Band of Cahuilla Indians	\$3,600	06/04/04	\$3,200
18.	Mercury General Corporation	\$5,700	06/14/04	\$3,200
19.	Waste Management-Western Group and Waste Management, Affiliated Entities	\$4,500	06/21/04	\$2,900
<b>TOTAL</b>				<b>\$49,800</b>

By intentionally or negligently accepting from persons, other than small contributor committees or political party committees, the above-described nineteen contributions in support of his 2004 re-election campaign for state senate, that were on their face, or when aggregated with other contributions previously received and deposited, in excess of the limits for a candidate for state senate, Defendant Machado violated Government Code section 85301, subdivision (a).

#### F. SIXTH CAUSE OF ACTION

As Defendant Machado was a candidate for state senate for an election occurring during the period January 1, 2003 through December 31, 2004, he was prohibited from accepting from any small contributor committee, as defined in Government Code section 85203, any contribution that either individually, or in aggregation with other contributions from that same small contributor committee, totaled more than six thousand four hundred dollars (\$6,400) per election. For the 2004 primary and general elections for state senate, the maximum combined contribution limit for a small contributor

committee from January 1, 2003 through December 31, 2004 is twelve thousand eight hundred dollars (\$12,800).

In the course of depositing contributions into the campaign bank account of Defendant 2000 Committee, that were to support Defendant Machado's 2004 re-election campaign, Defendant Machado accepted from a small contributor committee contributions that in the aggregate were in excess of the limits applicable to a candidate for state senate.

Those contributions consist of the contributions described in the following chart:

<b>Violation</b>	<b>Name of Contributor (Small Contributor Committee)</b>	<b>Total Amount of Contributions Subject to Limits Previously Accepted</b>	<b>Date Excessive Contribution Received</b>	<b>Amount of Contribution Accepted in Violation of Limits</b>
1.	CA State Employees' Association Member Action Committee	\$8,000	06/30/04	\$6,400
	<b>TOTAL</b>			\$6,400

By intentionally or negligently accepting from a small contributor committee the above-described contribution in support of his 2004 re-election campaign for state senate, that was, when aggregated with other contributions previously received and deposited, in excess of the limits applicable to a candidate for state senate, Defendant Machado violated Government Code section 85302, subdivision (a).

### **CONCLUSION**

Judgment shall be entered against Defendants Michael Machado, Stephen K. Sinnock, Machado for Senate formerly known as Machado for Senate 2000, and Machado for Senate 2004, and in favor of Plaintiff Fair Political Practices Commission, as provided by this stipulation.

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1 IT IS SO STIPULATED:

2  
3 Dated: \_\_\_\_\_

\_\_\_\_\_  
Michael Machado, Defendant, individually and on behalf of  
Machado for Senate formerly known as Machado for Senate  
2000 and Machado for Senate 2004, Defendants

6 Dated: \_\_\_\_\_

\_\_\_\_\_  
Stephen K. Sinnock, Defendant

8  
9 Dated: \_\_\_\_\_

\_\_\_\_\_  
James C. Harrison, Remcho, Johansen & Purcell  
Attorneys for Defendants

11 Fair Political Practices Commission, Plaintiff

12  
13 Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Mark Krausse, Executive Director

14  
15 Dated: \_\_\_\_\_

\_\_\_\_\_  
Deanne Canar, Attorney for Plaintiff  
Fair Political Practices Commission